

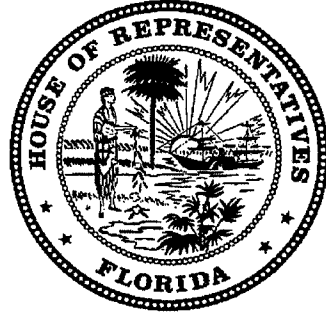


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# **Health Care Appropriations Subcommittee**

# **Meeting Packet**

**February 8, 2011  
1:00 p.m. – 4:00 p.m.  
Webster Hall**



## **AGENDA**

Health Care Appropriations Subcommittee

February 8, 2011

1:00 p.m. – 4:00 p.m.

Webster Hall

- I. Call to Order/Roll Call
- II. Introduction and Opening Remarks
- III. Presentation of the Governor's Recommended Budget for FY 2011-12
  - Jane Johnson, Policy Coordinator, Office of Policy & Budget
- IV. Closing Remarks/Adjournment

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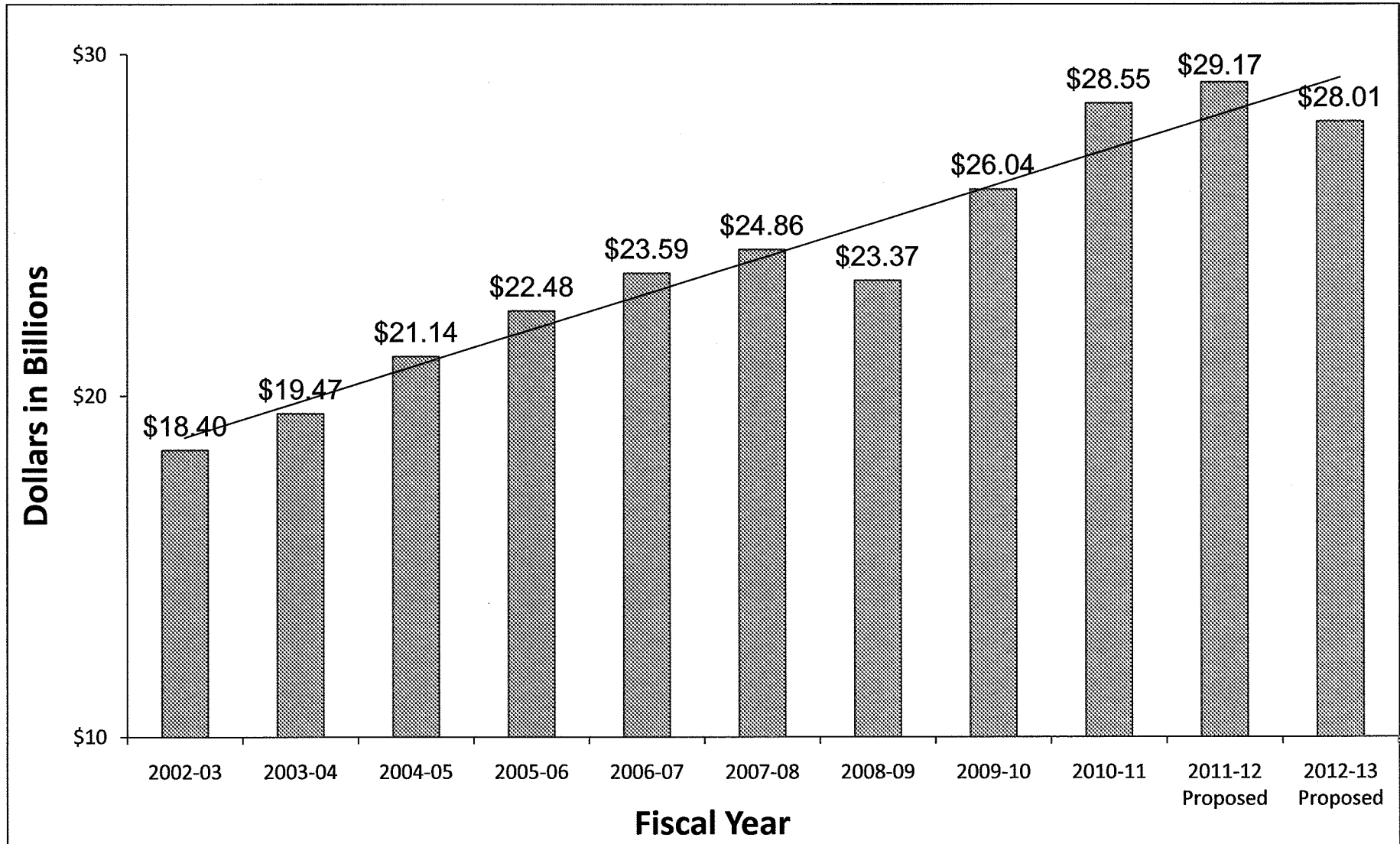
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GOVERNOR RICK SCOTT  
*“Let’s Get to Work”*



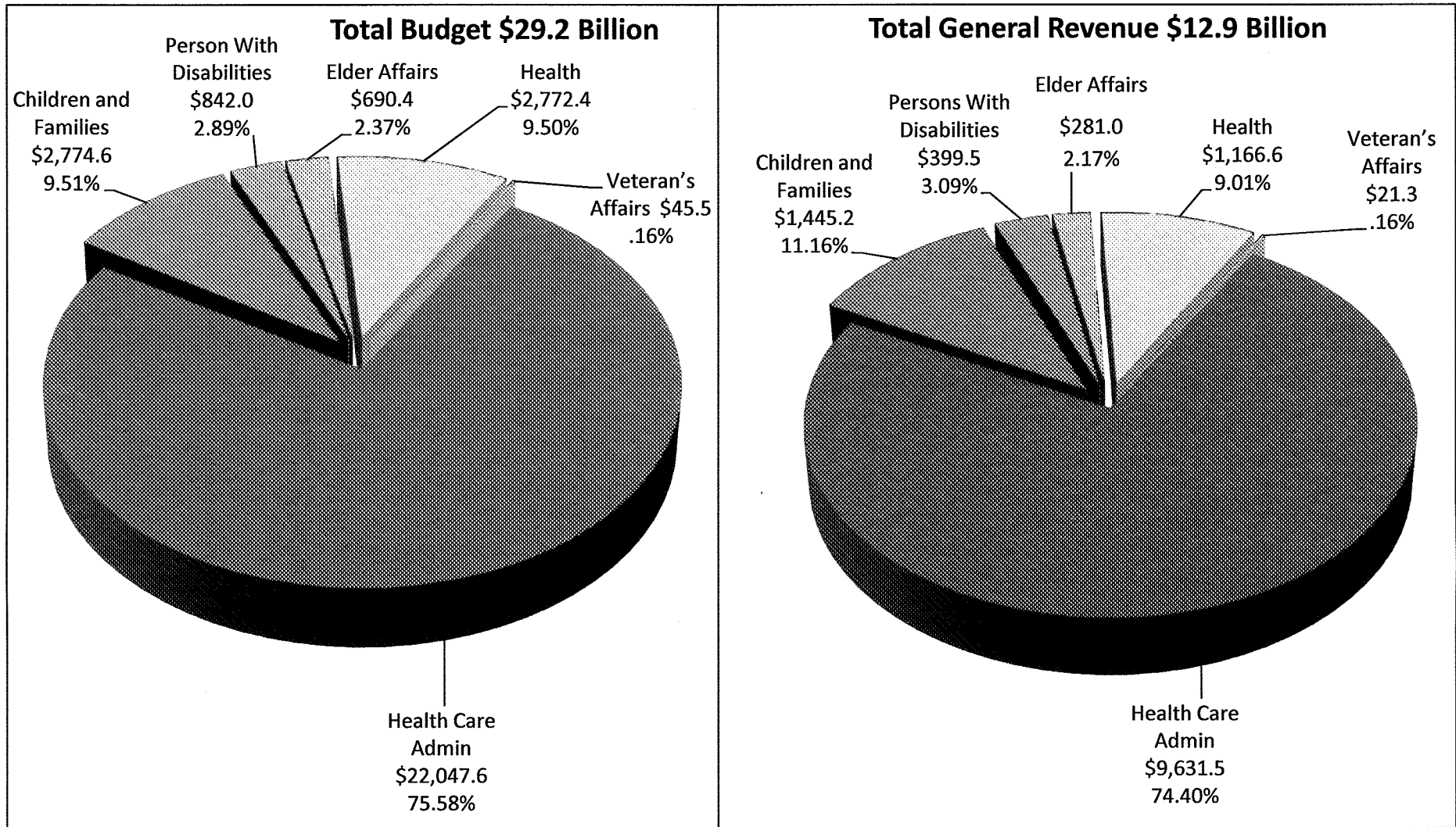
**Policy and Budget Recommendations**

# History of HHS Appropriations



*7 Steps. 700,000 Jobs. 7 Years. — Let's Get to Work.*

# Budget by Agency - FY 2011-12



# Budget by Agency – Two Fiscal Years Compared

Agency	Fiscal Year 2011-12			Fiscal Year 2012-13		
	General Revenue	All Funds	Positions	General Revenue	All Funds	Positions
Agency For Health Care Administration	9,631,512,755	22,047,600,988	1,577.50	9,145,600,908	20,970,723,803	1,577.50
Children and Families	1,445,278,468	2,774,654,576	11,337.75	1,437,625,234	2,766,516,370	8,820.75
Agency for Persons With Disabilities	399,516,255	842,021,943	2,922.50	395,190,796	833,723,762	2,162.50
Elder Affairs	281,063,375	690,496,236	428.00	281,050,213	690,131,424	428.00
Health	1,166,646,072	2,772,440,290	16,488	1,166,625,063	2,743,001,931	16,488
Veteran's Affairs	27,315,766	45,520,459	616.50	5,570,848	6,655,587	122.50



# Governor Scott's Solution

***1. Accountability Budgeting***

***2. Reduce Government Spending***

***3. Regulatory Reform***

***4. Focus on Job Growth and Retention***

***5. World Class Education***

***6. Reduce Property Taxes***

***7. Eliminate Florida's Corporate Income Tax***



# Implementing Governor Scott's Solutions

## *Guiding Principles*

- Should government perform this function?
- Is this a core function of the agency?
- Avoid duplication with other agencies, the locals and the feds
- Eliminate mission creep
- Consolidate/merge similar functions, when appropriate
- Eliminate non-core functions
- Eliminate trust funds, where appropriate



# The New Look

<i>Line Item#</i>	<b>Current</b>	
	<b>Program: Substance Abuse Program</b>	
	<b>Substance Abuse Services</b>	
	Approved Salary Rate 3,668,623	
1	Salaries And Benefits Positions 78.00	
	From General Revenue Fund	2,541,053
	From Administrative Trust Fund	7,504
	From Alcohol, Drug Abuse and Mental Health Trust Fund	1,666,783
	From Federal Grants Trust Fund	574,871
	From Grants and Donations Trust Fund	11,680
	From Welfare Transition Trust Fund	176,840
2	Other Personal Services	
	From General Revenue Fund	314,204
	From Alcohol, Drug Abuse and Mental Health Trust Fund	534,100
	From Federal Grants Trust Fund	546,935
	From Operations and Maintenance Trust Fund	314
3	Expenses	
	From General Revenue Fund	241,786
	From Alcohol, Drug Abuse and Mental Health Trust Fund	363,637
	From Federal Grants Trust Fund	312,788
	From Welfare Transition Trust Fund	28,420
	From Operations and Maintenance Trust Fund	1,925
4	Operating Capital Outlay	318
	From General Revenue Fund	334
	From Alcohol, Drug Abuse and Mental Health Trust Fund	333
	From Federal Grants Trust Fund	
5	Special Categories - Grants and Aids - Children and Adolescent	
	Substance Abuse Services	
	From General Revenue Fund	39,984,310
	From Alcohol, Drug Abuse and Mental Health Trust Fund	28,578,869
	From Tobacco Settlement Trust Fund	2,860,907
	From Federal Grants Trust Fund	211,066
	From Welfare Transition Trust Fund	640,000
	From Operations and Maintenance Trust Fund	84,918
6	Special Categories - Community Substance Abuse Services	
	From General Revenue Fund	37,111,921
	From Alcohol, Drug Abuse and Mental Health Trust Fund	72,504,247
	From Federal Grants Trust Fund	12,393,874
	From Welfare Transition Trust Fund	5,571,170
	From Operations and Maintenance Trust Fund	1,907,777

<i>Line Item#</i>	<b>Proposed</b>	
	<b>Program: Services to Children</b>	
	<b>Children's Substance Abuse Services</b>	
	This service provides treatment to assist children and adolescents with substance abuse issues through community-based providers through provision of prevention, detoxification treatment, continuing care, and recovery support services for children.	
	From General Revenue Fund	41,534,747
	From Alcohol, Drug Abuse and Mental Health Trust Fund	28,906,207
	From Tobacco Settlement Trust Fund	2,860,907
	From Federal Grants Trust Fund	211,066
	From Welfare Transition Trust Fund	640,000
	From Operations and Maintenance Trust Fund	85,779
	Funds in Specific Appropriation 1 shall be used to successfully complete a treatment program for 86% of the children enrolled in treatment programs.	
	Funds in Specific Appropriation 1 shall be used to reduce the rate per thousand children in grades eight through twelve using marijuana or alcohol to below the national average.	



# Reduce Government Spending Paving the Way to a Smaller, More Efficient Government

<i>Reductions and Savings</i>	<i>Fiscal Year 2011-12</i>				<i>Fiscal Year 2012-13</i>			
	<i>General Revenue</i>	<i>All TF</i>	<i>All Funds</i>	<i>FTE</i>	<i>General Revenue</i>	<i>All TF</i>	<i>All Funds</i>	<i>FTE</i>
<b>Agency for Health Care Administration</b>	(395,901,422)	(550,850,748)	(946,752,170)	(85)	(485,911,847)	(590,041,538)	(1,075,953,385)	0
<b>Children and Families</b>	(60,795,097)	(40,620,027)	(101,415,124)	(1,876)	(7,653,234)	(1,770,928)	(9,424,162)	(2,517)
<b>Elder Affairs</b>	(11,104,882)	(14,583,972)	(25,688,854)	(26)	(13,162)	(1,650)	(14,812)	0
<b>Health</b>	(81,078,568)	(26,562,804)	(107,641,372)	(879)	(21,009)	(1,317,099)	(1,338,108)	0
<b>Persons with Disabilities</b>	(76,577,400)	(88,429,735)	(165,007,135)	(156)	(4,309,633)	(3,972,722)	(8,282,355)	(760)
<b>Veterans Affairs</b>	(22,823,244)	(15,319,455)	(38,142,699)	(507)	(21,744,918)	(15,319,454)	(37,064,372)	(494)
<b>HHS Total</b>	(648,280,613)	(736,366,741)	(1,384,647,354)	(3,528)	(519,653,803)	(612,423,391)	(1,132,077,194)	(3,771)

# Reduce Government Spending

## Paving the Way to a Smaller, More Efficient Government

	<i>Fiscal Years 2011-12 and 2012-13</i>		
	<i>Positions</i>	<i>Total Savings</i>	<i>General Revenue Savings</i>
<b>• Operational Efficiencies</b>			
<b>Action/Type</b>			
<b>Elimination of Vacant Positions</b>	<b>(1,159.15)</b>	<b>(56,167,414)</b>	<b>(35,164,229)</b>
<b>Administrative and Operational Reductions</b>	<b>(507.00)</b>	<b>(61,404,054)</b>	<b>(53,947,899)</b>
<b>Office and Building Lease Renegotiations</b>		<b>(6,766,495)</b>	<b>(1,486,239)</b>
<b>Reduced or Eliminated Funding Needs</b>		<b>(12,810,638)</b>	<b>0</b>
<b>Total Operational Efficiencies</b>	<b>(1,667.15)</b>	<b>(137,148,601)</b>	<b>(90,598,367)</b>

# Reduce Government Spending

## Paving the Way to a Smaller, More Efficient Government

Reform or eliminate government programs in order to provide services in a more reasonable and effective manner.

	<i>Fiscal Years 2011-12 and 2012-13</i>		
	<i>Positions</i>	<i>Total Savings</i>	<i>General Revenue Savings</i>
<b><i>Programmatic Efficiencies</i></b>	<b>(33)</b>	<b>(2,221,151,214)</b>	<b>(990,624,323)</b>

# Reduce Government Spending

## Paving the Way to a Smaller, More Efficient Government

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	<i>Positions</i>	<i>Total Savings</i>	<i>General Revenue Savings</i>
<b><i>Programmatic Efficiencies</i></b>	(33)	(2,221,151,214)	(990,624,323)

# Reduce Government Spending

## Paving the Way to a Smaller, More Efficient Government

Eliminate services and earmarks which stray from the mission of an agency.

	<i>Fiscal Years 2011-12 and 2012-13</i>		
	<i>Positions</i>	<i>Total Savings</i>	<i>General Revenue Savings</i>
<b><i>Mission Creep and Earmarks</i></b>	<b>0</b>	<b>(22,034,077)</b>	<b>(20,051,305)</b>

# Reduce Government Spending

## Paving the Way to a Smaller, More Efficient Government

Reduce Government Spending by Consolidating,  
Privatizing or Reorganizing Government Services.

	<i>Fiscal Years 2011-12 and 2012-13</i>		
	<i>Positions</i>	<i>Total Savings</i>	<i>General Revenue Savings</i>
<b>Consolidations, Privatizations, Reorganizations</b>	<b>(5,508.00)</b>	<b>(103,880,634)</b>	<b>(64,574,949)</b>

***Veterans Homes***  
***Mental Health Facilities***  
***Developmental Disabilities Centers***

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## Major Reforms At a Glance

### Biennial Budget/Transparency/Accountability

- Long-term planning allows more time for in-depth program review and evaluation;
- Through the consolidated process of preparing a biennial budget, costs for the executive branch can be reduced;
- Encourage accountability through outcome measures rather than focus on budget controls;
- The budget structure is simplified and presented to the tax-payers in a common sense fashion.





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## Major Reforms At a Glance Medicaid

- Expand Medicaid Reform Statewide
- Evaluate and measure provider performance
- Flexibility establishing eligibility standards, premiums & copayments
- Long term care costs savings

***Medicaid Reform will save \$1.2 billion***



# Major Reforms At a Glance

## Trust Fund Consolidation

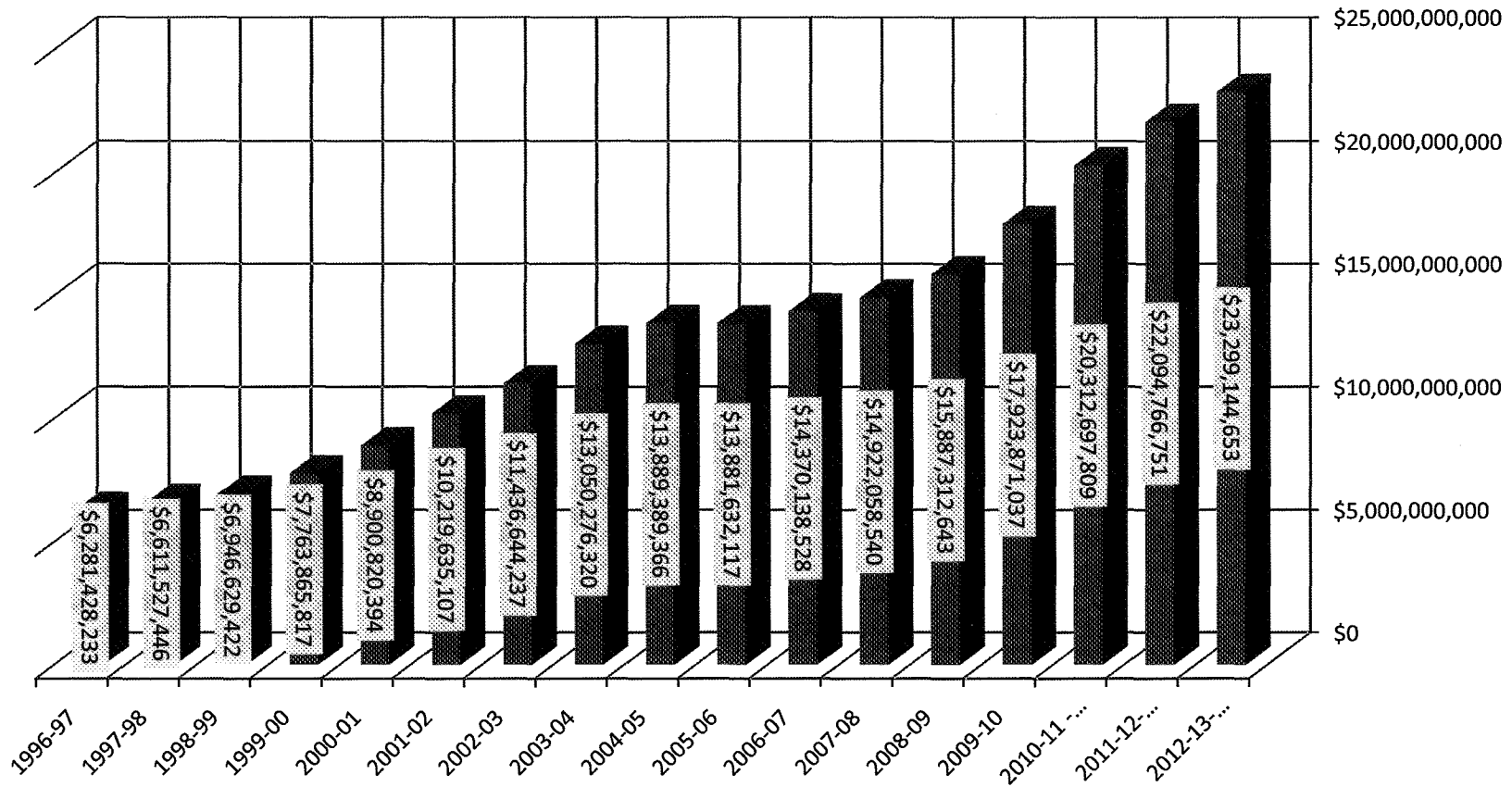
- The Governor's Proposed Budget moves the general purpose revenue portion from 124 funds into the General Revenue Fund so that the pot of money available to fund the state's most critical needs is broader and that all expenditures are subject to the same accountability standards.
- This results in \$8.5 billion more revenue available for Florida's highest priorities.
- Funding required to be segregated due to constitutional issues, bond covenants, federal or other grant restrictions or money owed to non-state entities was not changed.
- Issues previously funded from money that was moved will now be funded from the General Revenue Fund at a level justified by the priority in state needs.



# Major Reforms At a Glance

## Medicaid

### Medicaid Services Expenditures



## Other Important Issues Funded in Fiscal Year 2011-12

	General Revenue	All Funds	Positions
Mental Health and Substance Abuse	\$72,520,285	\$72,520,285	
Electronic Benefits Transfer	\$9,793,101	\$19,586,212	
Statewide Public Guardianship Office		\$398,000	
Fixed Capital Outlay Maintenance and Repair		\$1,800,500	
Health Information Technology Upgrade		\$428,000	
Transfer for Drugs, Devices and Cosmetics To DBPR	(\$2,209,245)	(\$2,209,245)	(31.0)
Biomedical and Cancer Research	\$52,200,000	\$52,200,000	

